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NIE 100-2-60 ADVCON
17 May 1960

NATIONAL INTELLIGENCE ESTIMATE

SINO-INDIAN RELATIONS

NOTE: This is an advance copy of the conclusions of this estimate as approved by the United States Intelligence Board. The complete text will be circulated within five days of this issuance.

- The future of Sino-Indian relations
- Repercussions of the dispute in India
- Effects on other countries

Central Intelligence Agency

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Submitted by the

DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

UNITED STATES INTELLIGENCE BOARD

on 17 May 1960. Concurring were the Director of Intelligence and Research, Department of State; the Assistant Chief of Staff for Intelligence, Department of the Army; the Assistant Chief of Naval Operations for Intelligence, Department of the Navy; the Assistant Chief of Staff, Intelligence, USAF; the Director for Intelligence, The Joint Staff; the Assistant to the Secretary of Defense, Special Operations; and the Director of the National Security Agency. The Atomic Energy Commission Representative to the USIB and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

C E N T R A L I N T E L L I G E N C E A G E N C Y

17 May 1960

SUBJECT: NIE 100-2-60: SINO-INDIAN RELATIONS

THE PROBLEM

To assess Sino-Indian relations and their international implications.

CONCLUSIONS

1. Sino-Indian border clashes have shattered the appearance of cordiality between the two states. Early agreement on the boundary dispute is unlikely. However, both sides are probably willing to live with the present stalemate for some time, although further border clashes may occur. In the event of a prolonged failure to resolve the dispute, the climate could alter significantly, particularly if Nehru leaves the scene before a settlement. Nevertheless, we are inclined to believe that an eventual settlement could be achieved -- probably involving Indian concessions in Ladakh in return for Chinese recognition of India's claims in the North East Frontier Agency (NEFA). However, even if the border issue is

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settled, it is unlikely that the friendly relations which existed in the past can be fully restored. (Paras. 5-8, 16-25)

2. Peiping's moves have sharply increased anti-Chinese sentiment in India. They have also tended to create in India a more sympathetic view of US policies, though India remains dedicated to the principle of nonalignment, and will also be influenced by interest in continued large-scale Soviet aid and by some hope that the USSR will restrain Communist China. The position of the Indian Communist Party has been made more difficult, but it has not suffered a critical setback. (Paras. 11, 14-15, 27-28)

3. To date Communist China has outstripped India in economic growth. The present wide gap in growth rates is expected to narrow, but the absolute disparity between the economies will probably continue to widen. As a result China will be able to maintain -- and probably increase -- its military superiority over India. However, as long as India is making significant economic progress, however, most Asian countries will probably continue to derive encouragement from India's example. (Paras. 26, 34)

4. Communist China's growing strength and its aggressiveness have caused a more somber assessment of Chinese

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Communist motivations among Asian leaders. Even if the Sino-Indian border dispute is resolved through negotiations, the more apprehensive Asian view of Communist China that has recently developed probably will not be erased. Nevertheless, it is likely that Communist China's strength and dynamism and its ambitions for political hegemony will figure more prominently in Asia than will India's influence. (Paras. 33, 35)

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